

20 April 1955

NSC BRIEFING

## THE SITUATION IN SAIGOR

- I. Armed outbreaks in Saigon on 19 April are largest since initial Binh Xuyon clash with Mational Army three weeks ALCO.
  - Ten Vietnamese soldiers wounded at Army HQ by gunfire from nearby Binh Kuyen strongpoint.
  - Later, hand grenades and machine-gunfire directed by passing truck at Majestic Hotel (Saigon's finest), injuring one Frenchman.

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say French troops will

restore order if European quarter threatened.

- i. French now have responsibility for this sector but heightened emergency would give them excuse to clamp down tighter on city as a whole.
- Anti-French sentiment apparently rising.
  - 1. Local French UP correspondent, who has consistently filed distorted, anti-government copy, reportedly beaten up by Saigon police (now under Diem's control).

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EI.

A. 708 official notes French Army captain apparently on

full-time assignment in Bink Xuyen MQ.

NO CHANGE IN CLASS.

Approved For Release 2000/09/11 : CIA-RDP79R008907 AUTH: HE TO-2 The YEVENER: DOGGE 25X1C B. Colonel Savani,

25X1C is occupying obviously influential position in Binh Xuyen MQ.

- C. In same connection Premier Diem has reported to Ely that the French have demanded that certain Vietnamese fortifications in the city be dismantled, but have ignored establishment of Binh Kuyen stronghold half a mile away.
- III. Meanwhile, Dies making no progress toward formation stable government.
  - A. Planning Minister (and premiership hopeful) Thomistars joined list of many cabinet ministers who have submitted resignations.
    - 1. Since mid-March, 12 of a total 21 ministers bave tendered resignations.
    - 2. Several of these were ministers in name only.
    - 3. Anide from the sect representatives, only one minister (Minh -- Defense) has been definitely dropped from the cabinet.
  - B. Diem concedes inability to attract "worthy" Viotnamese to his government.
    - 1. He feels this goal unattainable until sects made to auknowledge government's supreme authority.
  - c. Current plan -- formation of some nort of national assembly to be foundation of definitive, authoritative government. CONFIDENTIAL

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- 1. French oppose this course; tant immediate "basic reorganization."
- 2. French goal undefined, but various proposals suggest it would involve dilution of nationalist government by addition of Francophile opportunists on whom they can rely.